

FEDERAL BUREAU OF INVESTIGATION
FOI/PA
DELETED PAGE INFORMATION SHEET
FOI/PA# 1175732-1

Total Deleted Page(s) = 1
Page 211 ~ b3; b6; b7C; b7E;

XXXXXXXXXXXXXXXXXXXXXXXXXXXXX
X Deleted Page(s) X
X No Duplication Fee X
X For this Page X
XXXXXXXXXXXXXXXXXXXXXXXXXXXXX

FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE

Date: 03/07/2002

To: Chicago

From: Chicago

NRA/NRA2

Contact: SA [REDACTED]

Approved By: [REDACTED]

b6 per FBI

Drafted By: [REDACTED] *JMK*

b7C

Case ID #: 194B-CG-114999 (Pending) - 71

Title: DONALD E. STEPHENS,
VILLAGE PRESIDENT,
ROSEMONT, ILLINOIS;
ET AL;
CSLPO-LOCAL LEVEL

b3 per FBI

b6

b7C

b7D

Synopsis: Investigative summary and identified areas in need of further investigation.

Details: [REDACTED]

[REDACTED]

BACKGROUND

[REDACTED]

*MS
3/8/02*

066jmk01.ec

To: Chicago From: Chicago
Re: 194B-CG-114999, 03/07/2002

b3 per FBI

b6

b7C

b7D

b3 per Department of the Treasury₁

b6

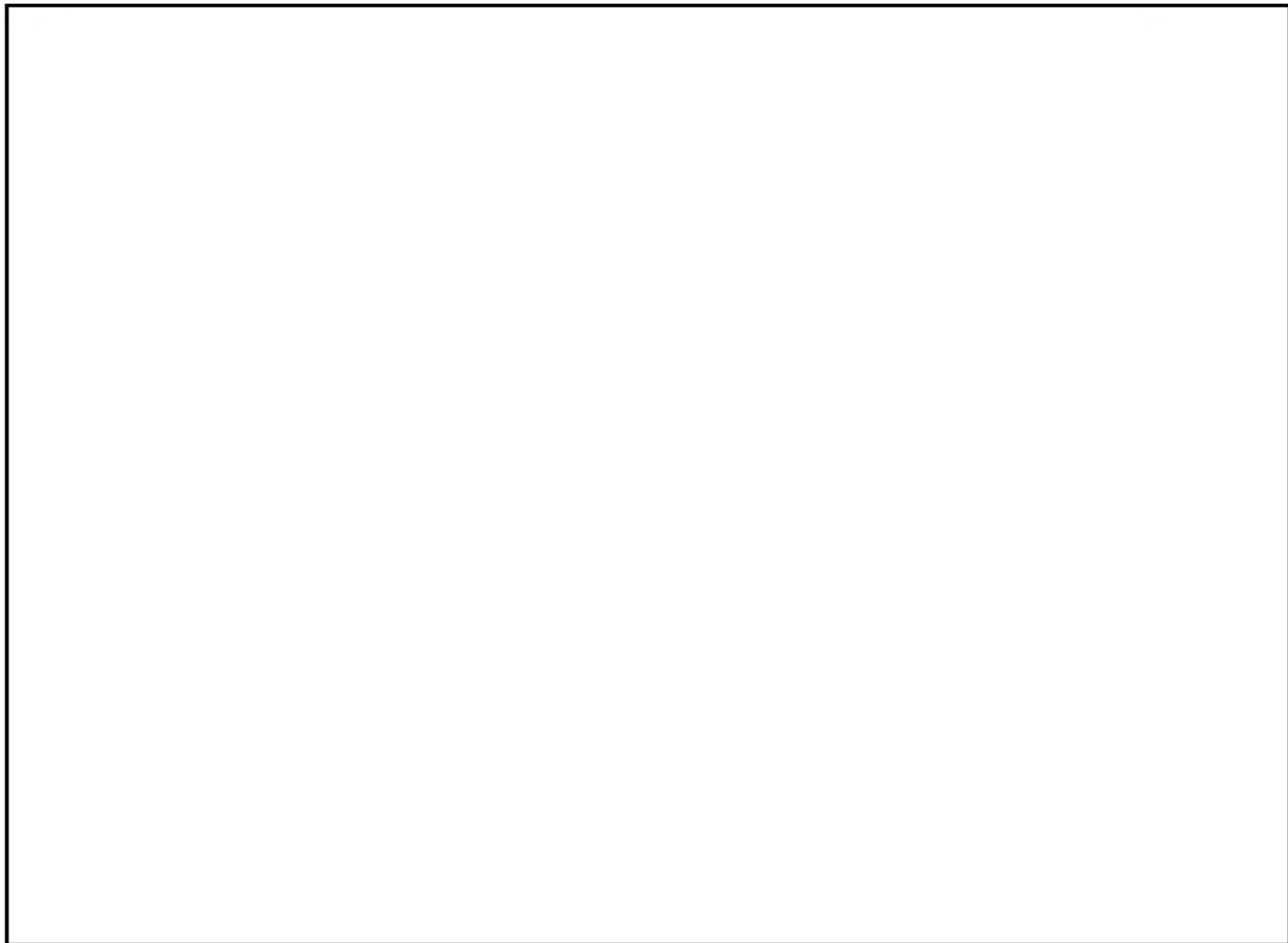
b7C

b7E

b3 per Department of the Treasury

b6

To: Chicago From: Chidb7C
Re: 194B-CG-114999, 03/0b7E 02



b3 per FBI

b6

b7C

b7D

♦♦

FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE

Date: 05/23/2002

To: Chicago

From: Chicago

NRA/NRA2

Contact: SA [redacted]

Approved By: [redacted]

b6 per FBI

b7C

pbe
Drafted By: [redacted]mer

Case ID #: 194B-CG-114999 (Pending)

Title: DONALD E. STEPHENS,
ET AL
CSPLO - LOCAL LEVEL

b6 per FBI

b7C

Synopsis: Meeting with AUSAs [redacted] and [redacted] on
5/10/2002.

Details: This investigation was initiated in September of 1999 based upon a referral to the FBI. During the summer of 1999 American Business Insurance Agency/Acordia became aware of fraudulent practices by [redacted] which necessitated an internal audit. This action revealed that [redacted] and others had falsified certain documents in order to obtain inflated premiums from companies and municipalities for the past 10 years. In addition to the fraudulent premiums, the audit also uncovered a series of kickbacks for a continuing insurance contract with the Village of Rosemont. From 1991 through 1996, ABI/Acordia issued false rebated premium checks to O.G. Services Corporation and later issued checks as broker commission payments to Skybox, Inc./Ribs. All of these companies at the time were owned and directed by [redacted]

b6 per FBI

b7C

(X)

On 1/17/2002, [redacted] were charged in a 15 count indictment involving mail fraud, wire fraud and money laundering. The purpose of the meeting on 5/10/2002 with prosecutors was to examine charging [redacted] with violations of Title 26 (tax fraud) and to indict Irving [redacted] personal and business accountant for tax fraud and conspiracy.

According to AUSA [redacted] the theory of prosecution for

b3 per Department of the Treasury
b6
b7C
b7E

ms 5/30/02

143 mer 10, ec

194B-CG-114999-85

FEDERAL BUREAU OF INVESTIGATION

b6 per FBI
b7C

Precedence: ROUTINE

Date: 11/12/2002

To: Chicago

Attn: ASAC [redacted]

Co-Agents:

PPF SA [redacted]
AV SA [redacted]
QMM SA [redacted]
SA [redacted]
RA [redacted]
SA [redacted]

-DOL

From: Chicago

NRA-2

Contact: SA [redacted]

Approved By: [redacted]

JRM

pde
Drafted By: [redacted]

:mkc

Case ID #: 194B-CG-114999 (Pending)

Title: DONALD E. STEPHENS, MAYOR
VILLAGE OF ROSEMONT;
ET AL;
CSPLO-LOCAL LEVEL

Synopsis: Investigative plan: assessment and projected work for the next 90-360 days. Completion date 12/31/03. The following plan is the result of the collaborative efforts by SA's [redacted] and former SSA [redacted].

Details:

PREDICATION

This public corruption investigation was predicated as a spin-off of 196B-CG-110974, entitled: [redacted] Et Al-FBW-Conspiracy. The previous investigation involved [redacted] Mayor Donald Stephens, as devising a scheme to defraud Acordia, Inc., an insurance brokerage firm which serviced the Village of Rosemont from 1991 to 1996. During January of 2002, [redacted] were indicted for over-billing Rosemont for \$675,000.00 in inflated insurance premiums. [redacted] has stated that he was introduced to Village of Rosemont officials, namely Donald Stephens II, the then Deputy Mayor of Rosemont by [redacted]. Subsequently, [redacted] received yearly kickbacks from [redacted] totaling \$280,000.00, which was eventually invested into a Schwab-One joint account.

194B-CG-114999-94

α
280MKC.08.ec

To: Chicago From: Chicago
Re: 194B-CG-114999, 11/12/2002

b6 per FBI
b7C

[REDACTED] STEPHENS [REDACTED]

b3 per Treasury

The present investigation of Stephens, [REDACTED]
[REDACTED] opened in January 2001 alleges systemic
corruption within the Village of Rosemont. The schemes include
village contract fraud, similar to the insurance fraud previously
mentioned. Also under investigation are illegal financial
transactions from Parkway Bank and Trust: [REDACTED]
[REDACTED]

Investigation has also determined that [REDACTED] has
been [REDACTED] with [REDACTED] in Bomark Cleaning
Services, a company that maintains a no-bid arrangement for
services in the Village of Rosemont, including a major convention
center and sports arena. Bomark is also involved in the
collection of parking revenue at these facilities. The Donald E.
Stephens Convention Center (DESCC) is operated by the Rosemont
Exposition Service (RES), another company which Mayor Stephens'
family members have an ownership interest. RES controls all
contracts with exhibitors at the DESCC and mandates that RES b6 per FBI
approved vendors are utilized. In addition to Bomark, other b7C
former business interests of [REDACTED] include OG Service
Corporation, which had been designated as the only fork lift
provider at the DESCC as well as McCormick Place. OG Service
Corp. maintained a relationship with American Trade Show
Services, previously known as Eastern Services, which provided
aerial lifts to DESCC as well as the Jacob Javits Convention
Center in New York. Mayor Donald Stephens has been receiving
dividend payments for a 25% owner-interest in American Trade Show
Service, fka, Eastern Services, Inc. and later changed to SBD
Services, Inc., along with [REDACTED]
[REDACTED], a reputed organized crime member. The final 25%
interest is held by [REDACTED].

In addition to his interest in the fork lift business,
[REDACTED] of Century Trade Show Services,
Inc. (CTSS), a janitorial supply company based out of Atlanta,
Georgia. CTSS provided the set-up and take-down services at
McCormick Place, and also at the Jacob K. Javits Convention
Center in New York. [REDACTED] was the subject of an FBI
investigation into [REDACTED]
[REDACTED] in which a member of [REDACTED]
[REDACTED] was indicted. According to the New York